

September 2007

Dear Colleague,

**Getting to Highest and Best Use**

Finding one's way through the swamps, switchbacks, trapdoors, and garden-variety hitches of the approval process is treacherous for both real estate veterans and amateurs. The Commercial Division of the North San Diego County Association of Realtors (NSDCAR) invited Dee Snow, President of Snow Properties, to present on this topic at its August meeting. Dee's presentation title, "**Highest and Best Use Is What You Can Get Approved**," was inspired by her colleague, Lou Lightfoot of The Lightfoot Consulting Group.

Starting at 3,000 feet, Dee shared three possible results that the intrepid real estate professional may end up with when going for approval. The first is "Conform and succeed." In this scenario, the professional performs the required due diligence, goes by everything on the books, satisfies the many parties involved, and winds up with the expected approval.

The second possible result is "Conform and it is easier to accomplish." In this example, the professional does all of the above, but still doesn't achieve final approval. However, the possibility to attain the desired approval still exists and is more likely in the future, with enough time and appropriate action.

The third scenario, "Conform and it still doesn't happen," is not uncommon. Many sought-after approvals are not realized even when all the rules and regulations have been followed. One of the chief causes for failure is underestimating the need to finesse all of the interested parties. This led to Dee's next key point.

Landowners, communities, and municipalities are forces to be reckoned with at various stages of the approval process. Each has its own agenda. And each agenda is unique.

For the landowner, it's usually financial. In some cases, the landowner may also have strong opinions about land use issues.

For the community, the mindset of "less is always more" typically prevails. Density, view corridors, environmental impact, parking, traffic and other factors are scrutinized. The status quo is relished; change is the enemy.

The municipality views itself as the great protector of the common good. Its primary mandate is to preserve health and safety. Municipalities are strongly influenced by community input.

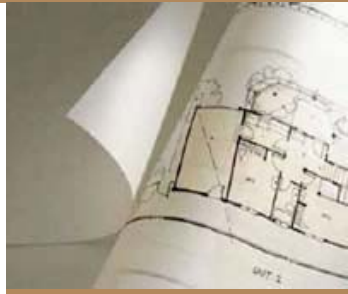
How well one balances these competing interests determines success or failure, according to Dee. She provided recent examples of Snow Properties' success in attaining approvals on diverse projects. One involved changing a designated zone for a public project, and the second won approval for the expansion of an existing resort hotel property. The third described a quagmire for a housing project wherein the municipality gave the developer mixed messages about future planning.

In closing, Dee advised NSDCAR members to "drill down to what the municipality and its constituency really want, and not just go by what's on the books."

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*Snow Properties provides project management services to developers, financial institutions, owners and managers of real property assets in Southern California. Its expertise spans three decades and all stages of real estate development.*

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**Did You Know?**

**Snow Properties Seeks Opportunities**

These are interesting times for real estate and development loans. Having weathered numerous real estate cycles, Snow Properties is adept at resolving challenges with development projects. We have taken on projects at various stages and protected them through turbulent times. With access to funding, Snow Properties actively seeks opportunities to purchase opportunities outright. From troubled projects to work-outs to fire sales to an existing site that is ripe for transformation, we want to hear about it. Please contact us at [info@snow-properties.com](mailto:info@snow-properties.com)

**The Snowtini Debuts**

To help celebrate Dee Snow's birthday in August, her friends invented a signature drink, the "Snowtini." The Snowtini is two parts vodka, one part Blue Curacao, and a splash of lime juice. Despite its electric-blue color, it proved to be a smooth and satisfying libation. If you have a favorite or novel libation, please share it with us at [info@snowproperties.com](mailto:info@snowproperties.com)

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